April 9, 2007

TO: Each Supervisor

FROM: Bruce A. Chernof, M.D.
Director and Chief Medical Officer

SUBJECT: **REQUEST TO AMEND INFORMATION TECHNOLOGY SUPPORT SERVICES MASTER AGREEMENT (ITSSMA) WORK ORDER N7G-0037 FOR A CONSULTING PROJECT MANAGER TO MANAGE INSTALLATION OF AN ENTERPRISE-WIDE PHARMACY INFORMATION SYSTEM FOR THE DEPARTMENT OF HEALTH SERVICES (DHS)**

This is to advise you of my intent to request the Internal Services Department (ISD) to amend the ITSSMA Work Order N7G-0037 with ACS Healthcare Solutions, formerly known as Superior Consultant, to extend the term and increase the total maximum dollar amount. It is requested that this Work Order be extended to March 30, 2008 and increase the total maximum amount by $330,720. This added funding will increase the total cost of this Work Order to $1,185,092. In accordance with ITSSMA Guidelines, prior Board notice is required for projects that will exceed $300,000. Your Board was previously advised of this project and the subject Work Order in August 2004, and in October 2006.

BACKGROUND AND SCOPE OF WORK

In 2004, a new Pharmacy System with an enterprise-wide design from GE Medical Systems was selected to replace the two legacy systems which use older technology and are not enterprise-wide systems. In November 2005, the DHS Task Force comprised of DHS Pharmacy Directors, Information Systems staff, Quality Improvement staff, and other medical staff uncovered a critical downfall in one of the current legacy systems - the discontinued Sigma Pharmacy System, which provided application support to the Coastal and ValleyCare Clusters Pharmacies. The Sigma Pharmacy System did not have capacity for its users to be in full compliance of SB 292 (Workers' Compensation: Personally Identifiable Information), which became effective on January 1, 2006. As a result, the Task Force needed to direct a new phase in the enterprise-wide deployment of the new pharmacy system. An emergency conversion of the legacy Sigma Pharmacy System was conceived and employed.

With the assistance of the ITSSMA Consultant, the DHS Task Force has contributed to the emergency system conversion from the non-compliant software. This resulted in DHS Pharmacies' full compliance with SB 292. However, the installs were preliminary, and the necessary pharmacy automated dispensing cabinets, and cabinets' inventory location, as well as detailed financial transaction, pharmacy formulary items, pharmacy charge master and laboratory interfaces are yet to be fully installed. The project encompasses multiple DHS pharmacies, including the newly formed MetroCare Model. At MetroCare, the legacy inpatient PSCAS pharmacy system will be replaced by the Affinity Inpatient Pharmacy system currently installed at Harbor-UCLA Medical Center. A significant amount of work remains to be done for the enterprise-wide deployment of a new Pharmacy Information System (RXIS) for DHS.

The Consultant performing under this Work Order provides RXIS expertise, analysis, and project management services to assist DHS with project strategy, technology selection, technical architecture, procurement, and implementation.

JUSTIFICATION

The Consultant has been providing expertise, analysis and project management services to assist DHS in managing scopes and timelines; vendor and customer relationships; recommending necessary policies and workflow modifications; configuring, testing and validating all necessary interfaces; providing implementation leadership as well as on-site support to ensure successful project implementations.

Currently, DHS does not have staff with the necessary experience to implement the Pharmacy Information System and its extensive interfaces. By providing the Pharmacist Consultant, the existing Work Order has allowed DHS in making good progress in Harbor-UCLA and Olive View-UCLA Medical Centers. However, for the newly formed MetroCare Model to go-live, with the new pharmacy system and its extensive interfaces will require additional time for project completion. It is not feasible at this time to budget, recruit, and hire an analyst and project manager with Pharmacy Information System expertise through the normal personnel process. The skill set required is highly specialized.

FINANCIAL IMPACT

The Work Order was competitively bid and awarded in August 2004 in the amount of $689,000. In October, 2006 this Work Order was amended to extend the term and increase the dollar amount. The Work Order was extended through March 30, 2007 and increased by $165,372 for a maximum dollar amount of $854,372. The hourly rate for this Consultant will remain the same through March 30, 2008. The increased cost of this Work Order will be $330,720. This added funding will increase the total maximum amount of this project to $1,185,092. Funding is included in Health Services Administration FY 2006-07 Final Budget and has been requested in the FY 2007-08 Proposed Budget Request.
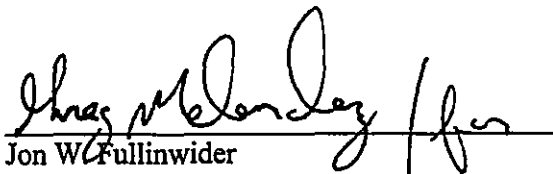
CLOSING

Consistent with ITSSMA policies and procedures, we are informing your Board of our intention to amend the term of this Work Order and increase the maximum dollar amount. If no objection is received from your Board by April 30, 2007, we will instruct ISD to proceed with the amendment of this Work Order.

If you have any questions or require additional information, please let me know.

BAC:gc

c: Chief Administrative Officer
County Counsel
Executive Officer, Board of Supervisors
Chief Information Officer
Director, Internal Services Department

NOTED AND APPROVED:

Jon W. Fullinwider
Chief Information Officer

4 | 11 | 2007
Date